

GENE KAUFMAN, ARCHITECT, P.C.

CIVIL ACTION

Plaintiff

v.

NO. 10-CV-3358

401 RACE STREET PARTNERS, LP, ARC
PROPERTIES INC., MICHAEL SALOVE
COMPANY, FC DEVELOPMENT GROUP LLC,
URBAN DEVELOPMENT PARTNERS, DESIGN
COLLECTIVES INC., DALE CORPORATION,
GUY GINDHART, PLANNING + PROJECT
MANAGEMENT + DESIGN, ROBERT
AMBROSI, AND CARL FREEDMAN

Defendants

SETTLEMENT AGREEMENT
RELEASE AND WAIVER OF CLAIMS

This Settlement Agreement, Release and Waiver of Claims (the "Agreement") is effective the 14th day of October 2010 by and between: (a) Gene Kaufman, Architect, P.C., a New York Corporation with a principal place of business at 525 Broadway, 8th Floor, New York, New York, 10012 and Gene Kaufman, individually (collectively hereafter "Kaufman Architect"); (b) 401 Race Street Partners, L.P., ("401 Race"), a Delaware Corporation with a registered office at 380 Red Lion Road, Suite 202, Huntingdon Valley, Pennsylvania 19006; (c) ARC Properties Inc., ("ARC") a New Jersey Corporation, with a principal place of business at 1401 Broad Street, Suite 1, Clifton, New Jersey, 07013; (d) Robert Ambrosi, ("Ambrosi"), an adult individual and resident of the state of New Jersey, who is also the Chairman and CEO of ARC; (e) FC Development Group, L.L.C., ("FC"), a New Jersey limited liability company, with a principal place of business at 201A Berlin Road, Cherry Hill, New Jersey, 08034; (f) Urban Development Partners, ("Urban Development"), a New York limited liability company with a principal place of business at 1776 Broadway, Suite 606, New York, New York, 10019; (g) Michael Salove Company, ("Salove"), a Pennsylvania Corporation with a principal place of business at 1700

Market Street, 17th Floor, Philadelphia, Pennsylvania, 19103; (h) Carl Freedman, ("Freedman") an adult individual and principal of FC Development Group; (i) Design Collective Inc., ("DCI"), a Maryland Corporation with a principal place of business at 601 East Pratt Street, Suite 300, Baltimore, Maryland, 21202-3123; (j) Dale Corporation ("Dale"), a Pennsylvania Corporation with a principal place of business at 70 Limekiln Pike, Glenside, Pennsylvania, 19038; and (k) Guy Gindhart+Planning+Project Management+Design, ("Gindhart") a Pennsylvania business with a place of business at 1501 Locust Street, Philadelphia, PA 19102. 401 Race, ARC, Salove, FC, Urban Development, DCI, Dale, Gindhart, Ambrosi and Freedman are collectively referred to herein as "Defendants". Defendants and Kaufman Architect are collectively referred to as the "Parties" and in the singular as "Party."

RECITALS

WHEREAS, Kaufman Architect commenced an action on July 8, 2010, against Defendants, in the United States District Court for the Eastern District of Pennsylvania, captioned as *Gene Kaufman, Architect, P.C. v. 401 Race Streets Partners, L.P., et al*, No. 10-CV-3358 (hereinafter the "Lawsuit"); and

WHEREAS, the Parties attended a Settlement Conference before Magistrate Judge Timothy Rice on October 14, 2010; and

WHEREAS, the Parties desire to resolve their disputes amicably without further litigation, expense and inconvenience; and

NOW, THEREFORE, in consideration of the mutual covenants contained herein, the Parties agree as follows:

1. General Release Regarding Defendants. Kaufman Architect, its principals, officers, shareholders, administrators, heirs, agents, and assigns hereby releases, acquits and

forever discharges Defendants, their predecessors, successors, officers, directors, shareholders, agents, parents, subsidiaries, affiliates, related companies, partners, in-house and outside attorneys, and employees ("Entities/Persons"), none of whom admit any liability, but all of whom expressly deny any liability from any and all claims of every nature and kind, known or unknown, suspected or unsuspected, vested or contingent, past, or present, arising from or attributable to any alleged act or omission of the Defendants which arises from the facts or circumstances underlying the Lawsuit and which occurred prior to October 14, 2010.

2. General Release Regarding Kaufman Architect Defendants, their principals, officers, shareholders, administrators, heirs, agents, and assigns hereby release, acquit, and forever discharge Kaufman Architect, its predecessors, successors, officers, directors, principals, shareholders, agents, parents, subsidiaries, affiliates, related companies, partners, in-house and outside attorneys, and employees ("Entities/Persons"), none of whom admit any liability, but all of whom expressly deny any liability, from any and all claims of every nature and kind, known or unknown, suspected or unsuspected, vested or contingent, past, or present, arising from or attributable to any alleged act or omission of Kaufman Architect which arises from the facts or circumstances underlying the Lawsuit and which occurred prior to October 14, 2010.

3. Terms and Conditions: In full settlement of any and all claims which were or could have been made by Kaufman Architect in the Lawsuit, the Parties agree that:

a. Defendants agree that they will not place a Choice Hotels International, Inc. hotel at 4th and Race Streets in Philadelphia, PA.

b. Settlement Contribution. 401 Race Street will contribute the sum of Two Hundred Thousand Dollars and no cents (\$200,000.00) in full satisfaction of this Settlement. The Parties agree that 401 Race Street is not responsible for the payment of taxes to federal, state

or local government authorities which may arise from the payment referenced within this paragraph. The monetary contribution will be paid as follows:

i. One Hundred Thousand Dollars (\$100,000.00) upon execution of the within Settlement Agreement by Ambrosi and Kaufmann Architect;

ii. Fifty Thousand Dollars (\$50,000.00) payable within six months from the date this Agreement is signed by Ambrosi and Kaufmann Architect;

iii. Fifty Thousand Dollars (\$50,000.00) for a total settlement contribution of Two Hundred Thousand Dollars (\$200,000.00) within twelve (12) months from the date this Agreement is signed by Ambrosi and Kaufmann Architect (hereinafter the "Settlement Sum").

c. Ambrosi Personal Guarantee: In consideration of and as an inducement for the within Settlement, Ambrosi hereby guarantees to Kaufman Architect, its successors and assigns, the full and prompt payment of all settlement sums payable hereunder.

4. Non-Admission of Liability: This Agreement (or the payments thereunder) shall not be construed as an admission in this matter by any Defendant or their respective agents or affiliates, or of any of the acts or omissions alleged by Kaufman Architect, or of any of the acts or omissions which could have been alleged in the lawsuit. The Defendants specifically deny any liability whatsoever for any damages, injuries or other claims by Kaufman Architect or which could have been claimed by Kaufman Architect.

5. Dismissal Of Lawsuit With Prejudice: In consideration for the settlement and releases as set forth above, the Court will dismiss the Action with prejudice subject to the Parties' consent to proceed before Magistrate Judge Rice and the Court's adoption of this Agreement as part of a Court Order.

6. Miscellaneous.

- a. 401 Race Street Partners, LP represents that as of October 14, 2010, it had not received any amount of the \$7,000,000.00 in funds that the Commonwealth of Pennsylvania previously indicated may be available to 401 Race Street Partners, LP for the development of the property at 4th and Race Streets in Philadelphia, PA. Defendants do not agree, and this representation does not imply, that these funds should ever be part of a profit analysis for the development of the property at 4th and Race Streets and Defendants hereby expressly reserve all rights, claims and defenses regarding any such profit analysis.
- b. Kaufman Architect has reviewed the plans for the property located at 4th and Race Streets and has stated that those plans do not include anything that is the protected property of Kaufman Architect, including but not limited to, design elements, ideas or plans. Kaufman Architect agrees not to make a claim or file suit for anything related to the construction and/or development of the property located at 4th and Race Streets as long as the plans used for such development and construction are substantially similar to the ones that Kaufman Architect reviewed and have not been substantially changed so as to infringe any of Kaufman Architect's copyrighted plans. Kaufman Architect acknowledges that this paragraph of the Agreement is a material inducement for defendants to enter into this

Agreement and that the statements contained in this paragraph are part of the consideration for this Agreement.

- c. If Kaufman Architect intends to assert U.S. Copyright Registration Numbers VAu 1-032-237 or VAu 1-032-239, or the content of those Registrations, against any, some, or all of the Defendants for conduct which occurs after October 14, 2010, the Defendants specifically and expressly reserve the right to assert all defenses to any such claim, including, but not limiting to, challenging the validity and ownership of these registrations, notwithstanding any other provision in this Agreement.

7. Attorneys' Fees: Kaufman Architect agrees that it will not seek to recover fees, costs, or attorneys' fees from the Defendants in this lawsuit.

8. Binding on Successors and Assigns: This Agreement shall be binding upon and inure to the benefit of the Parties and their affiliates, heirs, representatives, successors and assigns.

9. Severability: If any provision(s) of this Agreement shall be held to be invalid, illegal, or unenforceable, the validity, legality and enforceability of the remaining provisions of this Agreement shall not in any way be impaired thereby, and such remaining provisions shall continue to be valid, binding and enforceable.

10. Authority to Execute Agreement: Any individuals executing this Agreement on behalf of the Parties represent that they have the full power and authority to execute this Agreement on behalf of the Parties.

11. No Transfer Or Assignment/Binding On Parties And Representatives: Kaufman Architect represents and warrants that no other person or entity has or has had any

interest in the matters covered by this Agreement and that Kaufman Architect has the sole right and exclusive authority to execute this Agreement and to receive the sums specified in it and that Kaufman Architect has not sold, assigned, transferred, conveyed or otherwise disposed of any claims, demands, obligations, or causes of action released herein.

12. Paragraph Headings: The headings contained in this Agreement are merely for convenience of reference and shall not under any circumstances affect the meaning or interpretation of this Agreement.

13. Entire Agreement: This Agreement constitutes the entire, complete and integrated agreement of the Parties with respect to the subject matter hereof, is not subject to any condition not included in this Agreement and supersedes all prior and contemporaneous agreements, covenants, arrangements, communications, representations or warranties, whether oral or written, by any Party, with respect to the subject matter of this Agreement. This Agreement may not be modified in any respect except by a writing executed by the Parties or by counsel duly authorized to act on their behalf.

14. Execution in Counterparts and Via Facsimile: This Agreement may be executed in counterparts, each of which when so executed shall constitute an original, but all of which together shall constitute the same instrument. This Agreement may be executed via facsimile, and facsimile copies of signatures to this Agreement shall have the same force and effect as original signatures.

15. Choice of Law, Jurisdiction, and Venue: This Agreement shall be governed by and construed in accordance with the laws of the Commonwealth of Pennsylvania. Any action to enforce shall be governed and construed by the laws of the Commonwealth of Pennsylvania. The Parties hereto agree that in the event of any act to enforce the terms and

conditions of the Settlement Agreement, the Parties hereby agree to submit to the total and exclusive jurisdiction and venue of the United States District Court for the Eastern District of Pennsylvania and that Magistrate Judge Timothy Rice retains jurisdiction to enforce any of the terms and conditions herein.

16. Amendments/Modifications: This Agreement can be amended, modified, or terminated only by a writing executed by each of the Parties.

17. Warranties. By signing this Agreement, each signatory agrees to the following:

- (a) The signatory read the Agreement.
- (b) The signatory understands that certain rights are being relinquished, including but not limited to those rights set forth in this Agreement.
- (c) The signatory had the opportunity to consult with an attorney prior to executing this Agreement and did so consult prior to executing this Agreement.
- (d) Each Party understands that this Agreement is deemed to have been drafted jointly by the Parties and agrees that the common-law principles of construing ambiguities against the drafter shall have no application hereto. It should be construed fairly and not in favor of or against one Party as the drafter hereof.
- (e) The signatory signs this Agreement voluntarily.

REMAINDER OF PAGE INTENTIONALLY LEFT BLANK

IN WITNESS WHEREOF, this Agreement is signed as of the dates below, with
its effective date as of the 14th day of October, 2010.

JOHN KASIDIAN, ARCHITECT, P.C.
AND OTHERS INDIVIDUALLY

401 RACE STREET PARTNERS, L.P.

Sworn to and subscribed before me
this 11th day of March, 2011.

Sworn to and subscribed before me
this 24th day of March, 2011.

Print Name: John Kasidian
Notary Public John Kasidian
(Seal) Notary Public
My commission expires: June 26, 2013

Print Name: Margarite Papamarkos
Notary Public Margarite Papamarkos
(Seal) Notary Public NOTARY PUBLIC OF NEW JERSEY
My commission expires: June 26, 2013

ARC PROPERTIES INC.

MICHAEL SALOVE COMPANY

By: [Signature]
Name: [Signature]
Title: Chairman

By: _____
Name: _____
Title: _____

Sworn to and subscribed before me
this 11th day of Feb, 2011.

Sworn to and subscribed before me
this ___ day of _____, 2011.

Print Name: Margarite Papamarkos
Notary Public Margarite Papamarkos
(Seal) MARGARITE PAPAMARKOS
My commission expires: June 26, 2013

Print Name: _____
Notary Public _____
(Seal) _____
My commission expires: _____

RC DEVELOPMENT GROUP LLC

URBAN DEVELOPMENT PARTNERS

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

Sworn to and subscribed before me
this ___ day of _____, 2011.

Sworn to and subscribed before me
this ___ day of _____, 2011.

Print Name: _____
Notary Public _____
(Seal) _____
My commission expires: _____

Print Name: _____
Notary Public _____
(Seal) _____
My commission expires: _____

IN WITNESS WHEREOF, this Agreement is signed as of the dates below, with an effective date as of the 14th day of October, 2010.

GENE KAUFMAN, ARCHITECT, P.C. 401 RACE STREET PARTNERS, LP
AND GENE KAUFMAN, INDIVIDUALLY

By: _____
Gene Kaufman
Sworn to and subscribed before me
this ____ day of _____, 2011.

By: _____
Sworn to and subscribed before me
this ____ day of _____, 2011.

Print Name: Gene Kaufman
Notary Public
(Seal) Notary Public
My commission expires:

Print Name: _____
Notary Public
(Seal) Notary Public
My commission expires:

ARC PROPERTIES INC.

MICHAEL SALOVE COMPANY

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

Sworn to and subscribed before me
this 11 day of Feb., 2011.

Sworn to and subscribed before me
this 23 day of Feb., 2011.

Margarite Papamarkos
Print Name: _____
Notary Public
(Seal) MARGARITE PAPANARKOS
NOTARY PUBLIC NEW JERSEY
My commission expires JUN 28, 2013

JOHN R. TANA
Print Name: _____
Notary Public
(Seal) JOHNN R. TANA, Notary Public
City of Philadelphia, Phila. County
My Commission Expires March 21, 2016

PC DEVELOPMENT GROUP LLC

URBAN DEVELOPMENT PARTNERS

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

Sworn to and subscribed before me
this ____ day of _____, 2011.

Sworn to and subscribed before me
this ____ day of _____, 2011.

Print Name: _____
Notary Public
(Seal)
My commission expires:

Print Name: _____
Notary Public
(Seal)
My commission expires:

IN WITNESS WHEREOF, this Agreement is signed as of the dates below, with an effective date as of the 14th day of October, 2010.

CLORIA WALTON
Notary Public, State of New York
Qualified in Kings County
Commission Expires June 26, 2014

GENE KAUFMAN, ARCHITECT, P.C.
AND GENE KAUFMAN, INDIVIDUALLY

401 RACE STREET PARTNERS, LP

Gene Kaufman
By: _____
Gene Kaufman

By: _____

Sworn to and subscribed before me
this 11 day of March, 2011.

Sworn to and subscribed before me
this ____ day of _____, 2011.

Gene KAUFMAN

Print Name: Gene Kaufman
Notary Public Cloria Walton
(Seal) Notary Public
My commission expires June 26, 2014

Print Name: _____
Notary Public
(Seal) Notary Public
My commission expires: _____

ARC PROPERTIES INC.

MICHAEL SALOVE COMPANY

By: _____
Name: Robert Salove
Title: President

By: _____
Name: _____
Title: _____

Sworn to and subscribed before me
this 11 day of Feb., 2011.

Sworn to and subscribed before me
this ____ day of _____, 2011.

Margarite Papamarkos

Print Name: _____
Notary Public
(Seal) MARGARITE PAPAMARKOS
NOTARY PUBLIC OF NEW JERSEY
My commission expires June 28, 2013

Print Name: _____
Notary Public
(Seal)
My commission expires: _____

FC DEVELOPMENT GROUP LLC

URBAN DEVELOPMENT PARTNERS

By: _____
Name: Carl Froehlich
Title: MEMBER

By: _____
Name: _____
Title: _____

Sworn to and subscribed before me
this 27th day of March, 2011.

Sworn to and subscribed before me
this ____ day of _____, 2011.

Dorothy H. Melick

Print Name: Dorothy H. Melick
Notary Public
(Seal) DOROTHY H. MELICK
NOTARY PUBLIC OF NEW JERSEY
My commission expires July 1, 2011

Print Name: _____
Notary Public
(Seal)
My commission expires: _____

IN WITNESS WHEREOF, this Agreement is signed as of the dates below, with an effective date as of the 14th day of October, 2010.

GLORIA WALTON
Notary Public, State of New York
Qualified in Kings County
Commission Expires June 26, 2014

GENE KAUFMAN, ARCHITECT, P.C.
AND GENE KAUFMAN INDIVIDUALLY

401 RACE STREET PARTNERS, LP

Gene Kaufman
By: Gene Kaufman

By: _____

Sworn to and subscribed before me
this 11 day of March, 2011.

Sworn to and subscribed before me
this ____ day of _____, 2011.

GENE KAUFMAN

Print Name: Gene Kaufman

Notary Public Gloria Walton

(Seal) Notary Public

My commission expires: June 26, 2014

Print Name: _____

Notary Public

(Seal) Notary Public

My commission expires: _____

ARC PROPERTIES INC.

MICHAEL SALOVE COMPANY

By: [Signature]
Name: Ronald Salove
Title: Chairman

By: _____
Name: _____
Title: _____

Sworn to and subscribed before me
this 17 day of Feb, 2011.

Sworn to and subscribed before me
this ____ day of _____, 2011.

Margarite Papamarcos

Print Name: _____

Notary Public

(Seal) MARGARITE PAPAMARCOS

NOTARY PUBLIC OF NEW JERSEY

My commission expires: June 28, 2013

Print Name: _____

Notary Public

(Seal)

My commission expires: _____

FC DEVELOPMENT GROUP LLC

URBAN DEVELOPMENT PARTNERS

By: _____
Name: _____
Title: _____

By: Gary Davis
Name: Gary Davis
Title: Partner

Sworn to and subscribed before me
this ____ day of _____, 2011.

Sworn to and subscribed before me
this 21 day of MARCH, 2011.

Print Name: _____

Notary Public

(Seal)

My commission expires: _____

Nancy Villacis
Print Name: NANCY VILLACIS

Notary Public

(Seal)

My commission expires: 6/28/2011

DESIGN COLLECTIVES INC.

By: [Signature]
Name: MICHAEL GOODWIN
Title: PRINCIPAL

Sworn to and subscribed before me
this 6 day of APRIL, 2011.

[Signature]
Print Name: MICHELLE ELLIS BRUOKS
Notary Public: NOTARY PUBLIC
PRINCE GEORGES COUNTY
(Seal) MARYLAND
My commission expires April 16, 2014

DALE CORPORATION

By: _____
Name: _____
Title: _____

Sworn to and subscribed before me
this ____ day of _____, 2011.

Print Name: _____
Notary Public: _____
(Seal) _____
My commission expires: _____

ROBERT AMERSON

By: [Signature]
Name: Robert Amerson
Title: Chairman

Sworn to and subscribed before me
this 17 day of Feb., 2011.

[Signature]
Print Name: _____
Notary Public: MARGARITE PAPAMARKOS
(Seal) NOTARY PUBLIC OF NEW JERSEY
My commission expires June 26, 2013

**GUY GINDHART, PLANNING + PROJECT
MANAGEMENT + DESIGN**

By: _____
Name: _____
Title: _____

Sworn to and subscribed before me
this ____ day of _____, 2011.

Print Name: _____
Notary Public: _____
(Seal) _____
My commission expires: _____

CARL FREEDMAN

By: _____
Name: _____
Title: _____

Sworn to and subscribed before me
this ____ day of _____, 2011.

Print Name: _____
Notary Public: _____
(Seal) _____
My commission expires: _____

DESIGN COLLECTIVES INC.

By: _____
Name: _____
Title: _____

Sworn to and subscribed before me
this ____ day of _____, 2011.

Print Name: _____
Notary Public
(Seal)
My commission expires:

ROBERT AMBROSI

By: _____
Name: _____
Title: _____

Sworn to and subscribed before me
this ____ day of _____, 2011.

Print Name: _____
Notary Public
(Seal)
My commission expires:

CARL FREEDMAN

By: _____
Name: _____
Title: _____

Sworn to and subscribed before me
this ____ day of _____, 2011.

Print Name: _____
Notary Public
(Seal)
My commission expires:

DALE CORPORATION

By: _____
Name: Dale E. Lauer Jr.
Title: Vice President

Sworn to and subscribed before me
this 22nd day of March, 2011.

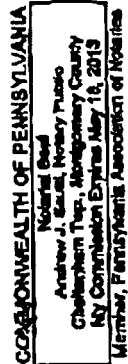
Print Name: Andrew V. Scotti
Notary Public
(Seal)
My commission expires: May 16, 2013

**GUY GINDHART, PLANNING + PROJECT
MANAGEMENT + DESIGN**

By: _____
Name: _____
Title: _____

Sworn to and subscribed before me
this ____ day of _____, 2011.

Print Name: _____
Notary Public
(Seal)
My commission expires:



DESIGN COLLECTIVES INC.

By: _____
Name: _____
Title: _____

Sworn to and subscribed before me
this ____ day of _____, 2011.

Print Name: _____
Notary Public
(Seal)
My commission expires:

ROBERT AMBROSI

By: [Signature]
Name: Robert Ambrosi
Title: Chairman

Sworn to and subscribed before me
this 17 day of Feb., 2011.

[Signature]
Print Name: _____
Notary Public **MARGARITE PAPAMARKOS**
(Seal) **NOTARY PUBLIC OF NEW JERSEY**
My commission expires: **Expires June 26, 2013**

CARL FREEDMAN

By: [Signature]
Name: Carl Freedman
Title: President

Sworn to and subscribed before me
this 21 day of March, 2011.

[Signature]
Print Name: DOROTHY H. MELICK
Notary Public
(Seal) **DOROTHY H. MELICK**
My commission expires: **Expires July 1, 2011**

DALE CORPORATION

By: _____
Name: _____
Title: _____

Sworn to and subscribed before me
this ____ day of _____, 2011.

Print Name: _____
Notary Public
(Seal)
My commission expires:

**GUY GINDHART, PLANNING + PROJECT
MANAGEMENT + DESIGN**

By: _____
Name: _____
Title: _____

Sworn to and subscribed before me
this ____ day of _____, 2011.

Print Name: _____
Notary Public
(Seal)
My commission expires:

DESIGN COLLECTIVES INC.

By: _____
Name: _____
Title: _____

Sworn to and subscribed before me
this ____ day of _____, 2011.

Print Name: _____
Notary Public
(Seal)
My commission expires: _____

ROBERT AMEROSI

By: [Signature]
Name: Robert Amerosi
Title: Chairman

Sworn to and subscribed before me
this 17 day of Feb., 2011.

Margarite Papamarkos
Print Name: _____
Notary Public **MARGARITE PAPAMARKOS**
(Seal) **NOTARY PUBLIC OF NEW JERSEY**
My commission expires June 26, 2013

CARL FREEDMAN

By: _____
Name: _____
Title: _____

Sworn to and subscribed before me
this ____ day of _____, 2011.

Print Name: _____
Notary Public
(Seal)
My commission expires: _____

DALE CORPORATION

By: _____
Name: _____
Title: _____

Sworn to and subscribed before me
this ____ day of _____, 2011.

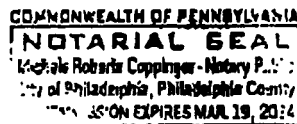
Print Name: _____
Notary Public
(Seal)
My commission expires: _____

**GUY GINDEHART, PLANNING + PROJECT
MANAGEMENT + DESIGN**

By: [Signature]
Name: GUY GINDEHART
Title: Partner

Sworn to and subscribed before me
this 21 day of March, 2011.

Nichole Roberts Copinger
Print Name: _____
Notary Public **Nichole Roberts Copinger**
(Seal) **NOTARY PUBLIC**
My commission expires: _____





Frank R. Emmerich Jr.
Attorney at Law
Direct Dial: 215.864.8086
Direct Fax: 215.864.9946
femmerich@conradobrien.com

April 7, 2011

VIA FACSIMILE

The Honorable Paul S. Diamond
United States District Court Judge
United States District Court
Eastern District of Pennsylvania
U.S. Courthouse – Room 6429
601 Market Street
Philadelphia, PA 19106

Re: Gene Kaufman, Architect, P.C. v. 401 Race Street Partners, LP et al.
Civil Action No. 10-cv-3358

Dear Judge Diamond:

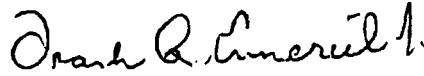
In follow-up to my discussions with your Chambers, the parties respectfully request that the Court adopt the attached Settlement Agreement as an Order of the Court prior to the expiration of the Local Rule 41.1(b) dismissal order on April 11th.

With the assistance of Magistrate Judge Rice, the Parties reached an agreement which contemplates the Parties agreeing to proceed before the magistrate court and the adoption of the Settlement Agreement as an Order of the Court. The Settlement Agreement, a copy of which is enclosed, provides in paragraph 5, "the Parties' consent to proceed before Magistrate Judge Rice and the Court's adoption of this Agreement as a part of a Court Order." The Parties further agreed in paragraph 15, "The Parties hereto agree that in the event of any act to enforce the terms and conditions of the Settlement Agreement, the Parties hereby agree to submit to the total and exclusive jurisdiction and venue of the United States District Court for the Eastern District of Pennsylvania and that Magistrate Judge Timothy Rice retains jurisdiction to enforce any of the terms and conditions herein."

The Parties respectfully request that the Court enter an Order acknowledging the Parties consent to proceed in any enforcement action before a Magistrate Judge and that the Court enter the attached Settlement Agreement as an order of the Court. Because the dismissal order requires action by April 11th, the Parties respectfully request that the Court enter such an Order prior to the expiration of that Order.

The Parties appreciate the Court's efforts in helping them resolve this matter.

Respectfully,



Frank R. Emmerich, Jr.

FRE/jap
Enclosure

cc: (via email)

Anthony J. DiMarino, III, Esquire
Daniel D. McCaffery, Esquire
Kevin G. McDonald, Esquire
